



**CORRECTED  
FISCAL MEMORANDUM**

**HB 411 - SB 497**

March 6, 2023

**SUMMARY OF BILL AS AMENDED (004509):** Expands the definition of “wine” to include the product of normal alcoholic fermentation of the juice of dried fruit or other agricultural products. Requires that wine not be a product derived from distillation, other than from wine spirits used to fortify wine. Defines “fortified wine” as wine which has added wine spirits derived from the fruit from which the wine was derived.

Changes the definition of “beer” to include a beverage made from the normal alcoholic fermentation of malt or other cereal grains, sugar, or apple- or pear-based cider that does not contain distilled spirits or “wine”. Adds the requirement that “beer” must have at least 51 percent alcoholic content by weight that is obtained from the fermentation of malt, other cereal grains, sugar, apples, or pears. Requires that “beer” have a label that describes the product as beer. Prohibits products that contain less than 0.5 percent alcohol by volume from being taxed as beer.

**FISCAL IMPACT OF BILL AS AMENDED:**

Based on additional information, the original fiscal note, issued February 27, 2023 is being updated as follows:

**(CORRECTED)**

**NOT SIGNIFICANT**

Assumptions for the bill as amended:

- The proposed legislation changes the definition of beer, clarifying that beer with an alcoholic content lower than 0.5 percent by volume from the wholesale beer tax and beer barrelage tax.
- Currently such beverages are not considered beer for the purposes of taxation; therefore any impact on state or local beer tax revenue is estimated to be not significant.
- Based on information provided by DOR, the proposed legislation would not change how wine or fortified wine is currently taxed.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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